

## **Technology Advisory Committee**

### **Special Meeting**

### **Minutes**

**May 22, 2007**

The Technology Advisory Committee met on May 22, 2007 in City Hall, Council Chambers.

**I. Call to Order**

The meeting was called to order at 1:30 p.m. by the Chairman.

**II. Roll Call**

☒ Chris Price – Chair

☒ Mike Jamerson

☒ Steve Baker

☒ Mark Farr

☒ Mark McHolland

☐ Jim Hartsook

☒ Oakel Hardy

☒ Georgia Miller

Invited Guests:

Brent Engle

Other Attendees:

Stan Gamso, Counsel

Representatives from Smithville Digital, Indiana Fiber Works, AT&T, IQuest, all of whom appeared in person. Appearing by teleconference was Dynamic City.

**III. Discussion**

Chairman Chris Price opened the meeting by thanking the responders for appearing.

The agenda for the meeting was:

- . a review of the RFP;
- . the findings as the Technical Advisory Committee reviewed the respective responses;
- . an opportunity for the responders to submit additional questions and utilize information contained in this meeting to revise and resubmit their responses to the RFP;
- . and for the Technical Advisory Committee to receive feedback from the responders.

The Chairman made a presentation via PowerPoint consisting of seven slides, copies of which are attached to these minutes.

A restatement of the purpose for the optical fiber RFP and the objectives of the City of Columbus were presented.

The primary objectives of the Technical Advisory Committee as they relate to this RFP were discussed. There was no expectation on the part of the City that the conduit would be filled from the first day that a responder would take control of the conduit. The TAC believes that they should have received a proposal with respect to management of the optical fiber and were expecting also to see a sensible management plan. The TAC's expectation with regard to the management piece was a management proposal that would have provided a reasonable economic incentive for the responders to participate in the operation and management of the optical fiber. There was no expectation on the part of the TAC that the conduit be populated with optical fiber at the expense of the responder.

After reviewing the RFP, it became obvious that one of the concerns raised by all responders was that of potential customers, market size and availability. At this point, the Chairman handed out to the parties in attendance a summary that listed government, industry, social service and education needs and potential customers of the optical fiber. A copy of same was emailed to the Dynamic City representatives during the meeting. (a copy is attached to these minutes as an exhibit)

The Chairman took the responders through a discussion of the various services and needs that the TAC believes are available by way of revenue opportunities for the responder. Chairman Price was also quick to point out that these are the potential customers known by the TAC today. There may be others. The Chairman also noted that some members of the TAC would be in a position to either answer questions of a specific responder of their respective employer's needs and/or direct the responder to the appropriate individual within their respective governmental unit, business or industry.

The Chairman also noted that the responder should not overlook the opportunity to form partnerships either between the community and responder or between the responders to assist in achieving the goals and/or leases necessary to achieve the benefits and the purposes set forth by the RFP.

A question raised by a representative from IQuest was whether the provider would be required to conduct an over-build at some point. Chairman Price noted that the TAC views the optical fiber RFP as an incremental solution plan, and the RFP should be considered as the first step to achieve world class status of the City's telecommunications infrastructure and services.

The Chairman then turned to the responders to solicit any discussion and/or questions that they have with respect to complying with the RFP. Chairman Price noted that the RFP responses as received today did not meet the TAC's expectations. The TAC

believes that once there is some usage of the optical fiber, the growth and further usage on the optical fiber users will come quite quickly. Installation and management of the optical fiber is merely a first step.

The Chairman further commented that the City is not interested in being a provider or manager of the optical fiber once it's installed. They are looking for a professional to manage and operate the fiber and services across the fiber.

With regard to the additional times for resubmission of the amended RFP's, the AT&T representative questioned whether there was anything magical about the resubmission date of June 5. The Chairman commented that this date, for a variety of reasons, actually suited the TAC and their meeting schedule.

Chairman Price also stated that the TAC would be more than happy to receive feedback from the providers with respect to the process, the information that was presented, and the ability to comply with the request as this is the first time that the TAC has submitted an RFP and it is not likely to be the last.

The representatives from Dynamic City commented that from the time they received a request until the time they had developed a plan, they were left with a period of no more than one week within which to ask questions. They did not feel that they had sufficient time to formulate appropriate questions and receive responses prior to submission of their response. He further noted that the extension of the RFP came at the 11th hour after they had finished their proposal, and at that time, they did not believe they would also have sufficient time to receive responses from questions. Dynamic City also commented they would like more time for them to study the community, potential customers, and profitability if they were going to propose a form of private partnership.

The representatives from Indiana Fiber Works stated that the information presented in the RFP did not paint a clear picture as to be available economic opportunities to the responder. The question was whether the City has any additional data or whether there are any assumptions on the City's side that they could rely on. The Chairman responded by noting it was the TAC's expectation that a prospective bidder would come forward and have questioned the community with respect to its needs in available and potential customers.

The Chairman suggested that the responders could speak with the following individuals regarding additional business opportunities: Cummins Inc., Mr. Fuller; City of Columbus, Oakel Hardy; TLS, Phil Lucius; Columbus Regional Hospital, Steve Baker; Ivy Tech, Mark Farr; IUPUC, Georgia Miller. The responders could speak with these individuals as to the respective entities' needs but not with regard to the RFP itself as that would have to be submitted to the TAC for review and response consistent with the RFP process.

Dynamic City commented that it's hard to develop a business plan without economic assumptions. They saw this as a major gap in the RFP. They can provide

something based upon the information provided today and subsequent to discussions with the previously identified potential customers, but their response may be nothing more than thoughts as opposed to a specific plan.

At that point the Chairman commented that the responders might want to consider a partnership between themselves as providers.

Jack Carr of IQuest questioned whether all of the projects that were listed in the handout that identified the government, industry social services and education grid are fully funded projects that could utilize the conduits today. The consensus was that only the City's programs were funded although the educational needs presently exist, but whether they are funded or not, is a question the TAC could not answer.

One responder commented that his initial reaction was that they were not able to respond after reading the RFP. He found it terribly detailed, and the length of the business plan was not realistic given present tax laws and the contractual obligations that the Indiana Utility Regulatory Commission has been using. For example, the depreciation schedule: The IRS allows responders to use 18 years, and the Indiana Utility Regulatory Commission allows them to use 20 years for franchises and contracts. As a result, a five-year commitment business plan is not realistic for them to recapture or recoup installation expenses.

There were no further questions.

The Chairman thanked the responders for attending, encouraged them to give thought to both public and private partnerships in their response, and encouraged them to engage in further discussions and to submit questions no later than May 29, 2007. He further noted that the guidelines for the revised proposal submission were attached setting forth the party to whom they were to respond and the method of response.

#### IV. Adjournment

The Chairman closed the meeting at 2:20 p.m.

Submitted by:

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Stanley A. Gamso, Counsel

Government	Industry	Social Services	Education
County: future growth opportunity (longer term) with fiber connections to Ambulance and Fire Depts.	Cummins: point-to-point fiber w/in Columbus – 4 potential locations	<b>CRH: need for private point-to-point fiber – need this summer</b>	<b>IVY Tech: need for fiber connection to Internet via private source or ILight – need this summer</b>
<b>City: City Hall</b>	<b>TLS: approached TAC with specific immediate needs</b>	CRH: need for redundant voice and data services	<b>IU: same need as IVY Tech – need this summer</b>
City: connection to Airport area City offices	ArvinMeritor: divestiture opportunity	CRH: longer-term connection to higher-ed campus	
Columbus Utilities	Indigo Hotel: under construction		

## Fiber RFP Update City of Columbus TAC

5/22/2007

## Agenda

- Restatement of purpose
- TAC primary observations on responses received
- Questions/discussion
- Opportunity to submit addendums – deadline
- Request for feedback

## Restatement of Purpose

- The City of Columbus has the following objectives for Optical Fiber Service:
  - Achieve world class status for its telecommunications infrastructure and services
  - Commensurate with its other world class attributes;
  - Ensure that Columbus residents, businesses and visitors have readily available access to reliable world class voice, video and data services at a reasonable price;
  - Create an economic advantage for Columbus residents, businesses and visitors; and
  - Encourage the creation of commerce and further economic development growth.
- In addition to these objectives, Columbus anticipates that the Optical Fiber Service will provide at least the following benefits to the community:
  - Improve public safety communications, awareness and responsiveness;
  - Stimulate commercial and residential growth;
  - Promote innovative solutions for Columbus consumers;
  - Improve the Columbus experience for visitors; and
  - Promote the Columbus brand/image.

## Primary Observations

- TAC expectations on the conduit being filled with fiber
- Size of the market
- Opportunity for creative innovation and partnership:
  - From : Lease the conduit
  - Thru : "Full house" offering

## Questions/Discussion

- From the bidders.

## Opportunity to submit addendums

- Addendums (if desired) should be submitted by 6/5/2007 4:00 PM

### Request for Feedback

- How could the TAC have made this easier?
- What in the RFP should have been more specific?
- What options do you feel were excluded?
- Why were there no questions?
- Timelines?
- Other?